

ANNUAL BUDGET PROCESS

The City of Durham's annual budget process, the framework for communicating major financial operational objectives and for allocating resources to achieve them, is a complex undertaking involving the whole government. The process begins in October and runs until the end of June. By state law, the City must adopt an annual budget ordinance by June 30 of each year. Coordination of the process is essential to the building of the budget. To achieve coordination, a calendar of budget activities is summarized below:

October- January	Management Team discusses and develops overall budget goals for FY 2003-2004.
December - February	Budget Staff meets with departments to understand performance measures, learn about operations. Budget Staff prepares revenue projections for FY 2003-04 citywide revenues. Departments work with budget staff to develop projections for other revenues. Budget develops projections of FY 2003-04 financial situation.
January	Department Staff get trained in BRASS.
January 10-11	The City holds a retreat to discuss vision and service issues.
January 29 2-4 pm	Budget Kick-off Meeting: Manager meets with department and division heads to explain financial and operational objectives. Request scenarios for budget submission, depending on revenue projections and funding source.
February 3 7 pm	City Council holds a public hearing on the budget.
February 7 8:30 – 5:00	The City holds a retreat to discuss financial issues in preparation for budget. <i>Note, if the Council determines it needs additional time, the retreat may be continued to February 14.</i>
February - March	City Council holds "Coffees with Council" at various sites throughout the City, in conjunction with Partners Against Crime meetings. February 8, 10 am-12 noon: District 3 February 11: 6:30 – 8:00 pm: District 5 February 15, 10 am-12 noon: District 1 March 8, 10 am – 12 noon: District 4 March 10, 6-8 pm: District 2
March 1	Departments finalize service goals and work with Budget Staff to finalize funding recommendations. Final budget submissions due to Budget.
April	Departmental budgets are presented to the City Manager.
Week of May 19	Based on the City Manager's recommendations, the preliminary budget is submitted to the City Council.
Week of May 26	City Council holds Departmental Budget Hearings. May 27: 9 am – 1 pm May 29: 9 am – 5 pm May 30: 9 am – 5 pm June 12: 1pm – 5 pm
June 2	Second public hearing is held on the budget in accordance with State law.
June 16	The City Council adopts the budget. State law requires the budget to be adopted no later than June 30.

Once the budget is approved, the focus of the budget is upon control. Ongoing monitoring of expenditures and revenues throughout the year is a responsibility shared by department heads and the Budget Department. The Accounting Services Division ensures that changes are correctly entered and payments are appropriate.

The Budget and Management Services Department reviews all requests from departments to make sure that sufficient appropriations have been budgeted. All funds are reviewed on a regular basis, and a budget report is submitted to the City Council on a quarterly basis.

The City Manager has the Authority to transfer budgeted amounts between departments within any function. However, transfers between functions, additions, or deletions require a budget amendment. To amend the budget, a revised budget ordinance must be approved by the City Council.

